



2009 Combined Federal Campaign (CFC) Eligibility Requirements

Working for America

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT





Application Timeline

April 9 – Deadline for 2009 local application period
(campaigns may set earlier deadlines)

May 1 – Deadline for LFCC to notify local
organizations of eligibility decisions in writing

June 8 – Deadline for decisions by LFCC on all local
organization appeals

July 31 – OPM completion of local appeal reviews



Review Process

Sampling of Federation Members

- Federations **MUST** submit full applications of all members not approved for participation in 2008
- 20% Sampling of membership encouraged

Completeness Review for all

- Contact applicant re: administrative oversights (most common error – if you don't check it, we have to assume you don't want it checked)



Applicant Information

Applicant **MUST** provide a physical mailing address

- PO Boxes may be used for campaign contact person/disbursement point
- Use of Electronic Funds Transfer (EFT) by campaigns is optional
- If campaign is not using EFT, it may be removed from the application cover page



CFC Certification Statement #1

Local, Adjacent, or Statewide Presence

DESCRIBE:

- **WHO** received the service, benefit, assistance, or program activity
- **WHAT** the service, benefit, assistance, or program activity is
- **WHEN** it was delivered
- **WHERE** it was delivered



CFC Certification Statement #1

Local, Adjacent, or Statewide Presence

- Hours of Operation – days and hours
- Location – County/State
- 2008 Human Health and Welfare Services



CFC Certification Statement #1

Local, Adjacent, or Statewide Presence

Factors OPM/LFCC will consider

- Nature and extent of the service, benefit, assistance, or program activity
- Frequency, continuity, and duration
- Impact on, or benefit to, beneficiaries
- Number of beneficiaries
- Statewide Presence – 30% of target population or 30% of geography (it's up to you to prove)



CFC Certification Statement #1

Local, Adjacent, or Statewide Presence

Applicants should avoid

- Generalized statements
- Listing “offered” services – what have you done
- Listing location of members, affiliates, or board members
- Listing the residencies of visitors to a facility



CFC Certification Statement #1

Local, Adjacent, or Statewide Presence

Applicants should avoid

- Listing services provided by another entity
- Listing services provided by the service recipient
- Information disseminated by United States Postal Service or Internet
- Repetitive text
- Fundraising activities as a service



CFC Certification Statement #1 Local, Adjacent, or Statewide Presence

Family support and youth activities (also known as Morale, Welfare and Recreation organizations or “MWRs”) must meet criteria outlined at 5 CFR 950.204(d).

Day care centers located on Federal property may participate under these guidelines.



CFC Certification Statement #2

IRS Determination Letter

Include a copy of the most recent IRS determination letter as **ATTACHMENT B**

- Must be 501(c)(3) tax-exempt organization
- Units of government are not eligible
- OPM will verify applicant's current 501(c)(3) status with the IRS



501(c)(3) Status Verification

CFC regulations at 5 CFR §950.202 require an applicant charity to certify it is recognized by the Internal Revenue Service as tax-exempt under 26 U.S.C. 501(c)(3) and to which contributions are tax-deductible pursuant to 26 U.S.C. 170(c)(2).

A 2006 Government Accountability Office review of the CFC found some participating organizations were not recognized as 501(c)(3) organizations by the IRS.



Most Common Errors

- Typographical Errors in Employer Identification Number (EIN) provided
- Proper Legal Name not provided (insufficient “Doing Business As” (DBA) documentation)
- Governmental entity without 501(c)(3) recognition
- Charity moved (or address changed) and IRS was not notified
- Merger with another organization – EIN changed
- IRS Form 990 was marked “Final Return” (means last return)



CFC Certification Statement #2

IRS Determination Letter

Bona-Fide Chapters and Affiliates of a National Organization

- Include certification from CEO or equivalent (of parent) verifying applicant is in good standing with the national organization and is covered by the national organization's 501(c)(3) determination
- If organization name on IRS letter or IRS Form 990 is different, **official documentation from IRS or state government** must be included



CFC Certification #3

Affiliation Status

Choose one of three options:

- I certify the organization named in this application is not part of a group exemption;
 - ✓ Name and EIN on IRS Determination letter will be unique
- I certify the organization named in this application is part of a group exemption;
 - ✓ Name may or may not be unique
 - ✓ Organizations using this certification will have an EIN different from the EIN on the national group exemption letter
 - ✓ Must have certification letter from national organization



CFC Certification #3 Affiliation Status (cont.)

- I certify the organization named in this application is a bona-fide chapter or affiliate which operates under a national organization's single corporate tax-exemption.
 - ✓ Name and EIN will be the same as national
 - ✓ Must provide certification letter from national



CFC Certification Statement #4

I certify the organization named in the application is a human health and welfare organization providing services, benefits, or assistance to, or conducting activities affecting human health and welfare.

2008 human health/welfare service must be in Attachment A – don't attach charity brochure, because we might not find the words



CFC Certification Statement #5

Choose one of three options:

- Revenues over \$250,000:
 - ✓ accounts for its funds on the **accrual basis** in accordance with generally accepted accounting principles (GAAP); and,
 - ✓ has an audit annually by an independent certified public accountant in accordance with generally accepted auditing standards (GAAS).
 - Include as **Attachment C**
 - If using national organization information, provide certification from CEO of affiliated national organization

OR



CFC Certification Statement #5 (cont.)

- Revenues between \$100,000 and \$250,000:
 - ✓ accounts for its funds on an **accrual basis** in accordance with generally accepted accounting principles (GAAP); and,
 - ✓ audited annually by an independent certified public accountant in accordance with generally accepted auditing standards (GAAS).

- Do not need to provide audit, but must be available if requested by LFCC/OPM

OR



CFC Certification Statement #5 (cont.)

I certify the organization named in this application reports total revenue of less than \$100,000 on its IRS Form 990 (or pro forma IRS Form 990) covering a period ending not more than 18 months prior to January 2009 and has controls in place to ensure funds are properly accounted for and it can provide accurate timely financial information to interested parties.



CFC Certification Statement #5 (cont.)

- Audit must cover the fiscal period ending on or after June 30, 2007 (18 months prior to January 2009)
- Audit must state organization accounts for its funds in accordance with generally accepted accounting principles (GAAP) and it was audited in accordance with generally accepted auditing standards (GAAS)
 - ✓ “except for” statements may cause denial
- Audit report must be signed, dated and be on the audit firm’s letterhead



CFC Certification Statement #6

Two options

- I certify the organization named in this application prepares and submits to the IRS a complete copy of the organization's IRS Form 990.
 - ✓ Include a copy of the complete IRS Form 990 for a period ending no later than 18 months prior to January 2009, including signatures in the box marked "Signature of Officer" as *ATTACHMENT D*.
 - ✓ Name should agree with IRS Name



CFC Certification Statement #6 (cont.)

- ✓ Schedule B is not required, but all other supporting schedules are required

- ✓ If organization filed a 990EZ, may provide a copy with pro-forma Page 1 and Part V of IRS Form 990 (officer's signature is not required)

OR



CFC Certification Statement #6 (cont.)

- I certify the organization named in this application is not required to prepare and submit an IRS Form 990 to the IRS.
 - ✓ Include a pro forma IRS Form 990 page 1 and Part V only for a period ending no later than 18 months prior to January 2009 as *ATTACHMENT D*.
 - ✓ Any organization's IRS Form 990 that does not include a complete list of the officers, Board of Directors, trustees and key employees, and their compensation, if any, is incomplete and will result in a denial. Uncompensated members must have a -0- in the compensation column.
 - ✓ Name should agree with IRS Name



CFC Certification Statement #6 (cont.)

Any organization's IRS Form 990 that does not include a complete list of the officers, Board of Directors, trustees and key employees, and their compensation, if any, is incomplete and will result in a denial. Uncompensated members must have a -0- in the compensation column.



CFC Certification Statement #7

I certify the administrative and fundraising rate for the organization named in this application is ___ __ . ___ % (three decimal places rounded 4/5)

Regulatory Formula

ADD Line 14 of IRS Form 990 (management & general expenses) and Line 15 of IRS Form 990 (fundraising expenses). Divide the sum by Line 12 of IRS Form 990 (total revenue).



CFC Certification Statement #8

Board of Directors

I certify an active and responsible governing body, whose members have no material conflict of interest and a majority of which serve without compensation, directs the organization named in this application.

- Listing of Board terms of office and meeting dates/locations required of Federations only.



CFC Certification Statement #9

Sale/Lease of Contributor Information

I certify the organization named in this application prohibits the sale or lease of CFC contributor lists.

- Donor names and addresses may be used to acknowledge the contribution. CFC regulations prohibit the sale or lease of this information



CFC Certification Statement #10

I certify the organization named in this application conducts publicity and promotional activities based upon its actual program and operations, these activities are truthful and non-deceptive, include all material facts, and make no exaggerated or misleading claims.



CFC Certification Statement #11

I certify the organization named in this application effectively uses the funds contributed by Federal personnel for its announced purposes.



CFC Certification Statement #12

Sanctions Compliance

- Sanctions compliance certification is required
- Wording in CFC application provided by OPM must be used
- The list of countries, entities, or individuals referenced in the certification can be found at www.treas.gov/ofac.
- Guidance in CFC Memorandum 2005-13



Certifying Official's Signature

- The Certifying official's signature **MUST** be original
- Automatic pens and/or signature stamps may not be used
- Federations may provide photocopies
- Applicants must check the box next to each statement to demonstrate compliance with each certification statement



Federation Requirements

- Listing of Eligible Member Organizations (Legal name, DBA, EIN, AFR, and Local Presence Category)
- Submission of Audit Regardless of Size
 - ✓ Audit must include verification organization is honoring designations
- Board Terms and Meeting Dates/Locations
- Annual Report
 - ✓ Describe Dues and/or Fees Arrangements



Appeals Process

- LFCC must provide information on how to appeal at the local and national levels
- Appeals limited to the facts justifying the reversal of the original decision
- Appeals may not be used to supplement applications with missing or outdated documents